

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 53rd LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON APPROPRIATIONS**

**Call to Order:** By REP. TOM ZOOK, on March 5, 1993, at 3:15 P.M.

#### **ROLL CALL**

##### **Members Present:**

Rep. Tom Zook, Chairman (R)  
Rep. Ed Grady, Vice Chairman (R)  
Rep. Francis Bardanouve (D)  
Rep. Ernest Bergsagel (R)  
Rep. John Cobb (R)  
Rep. Roger DeBruycker (R)  
Rep. Marj Fisher (R)  
Rep. John Johnson (D)  
Rep. Royal Johnson (R)  
Rep. Mike Kadas (D)  
Rep. Betty Lou Kasten (R)  
Rep. Red Menahan (D)  
Rep. Linda Nelson (D)  
Rep. Ray Peck (D)  
Rep. Mary Lou Peterson (R)  
Rep. Joe Quilici (D)  
Rep. Dave Wanzenried (D)  
Rep. Bill Wiseman (R)

**Members Excused:** None

**Members Absent:** None

**Staff Present:** Terry Cohea, Legislative Fiscal Analyst  
Mary Lou Schmitz, Committee Secretary

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

##### **Committee Business Summary:**

Hearing: None  
Executive Action: HB 401, HB 474, HB 482, HB 585, HB 46,  
HB 16, HB 284, HB 608

#### **EXECUTIVE ACTION ON HB 401**

**Discussion:** REP. KADAS said this bill funds the litigation over the Clark Fork Natural Resources damage claim. The issue that was brought up was whether we could use coal trust money to fund this rather than general fund money to fund the loan. He offered amendments to use trust fund money. The question that arose out

of using trust fund money is "what's the difference in using trust fund money, what's the loss of interest to the general fund versus using general fund money"? Because the trust fund money generates interest at a higher rate, the long term interest rate, as opposed to the general fund money which generates interest at the STIP rate. His original impression was that there wasn't enough liquidity and the Board of Investments would have to sell some of the bonds they had already invested in the trust fund in order to come up with that money. That assumption was incorrect. Because there are a number of investments that are constantly maturing in the trust fund, there is ample liquidity in order to utilize investments that are currently in the STIP fund. The interest difference between the trust fund and general fund is non-existent.

**Motion:** REP. KADAS moved the amendments.

**Discussion:** What the amendments will do is take the existing \$5 million loan from last session and the new loan for \$2.6 million for this biennium and fund these with trust fund dollars. That will have two impacts. First it will decrease the cash deficit by \$5 million, but does not effect the fund balance. Over the biennium we will lose interest earnings of \$633,000. Those lost interest earnings will be a loss to the cash and to the fund balance. When this loan gets paid back, the interest will also be paid back. The amendments require that when the loan is paid back, it will be paid back at the long term interest rate and that there is a contract between the Department of Health and the Board of Investments that insures that the loan will be paid back. If the amendments are attached it will require a 3/4 vote on the bill for it to pass. In light of all the other circumstances they are dealing with, it is probably the best way to go with funding an absolutely essential lawsuit.

**CHAIRMAN ZOOK** said he is puzzled why this reflects in the cash balance and not in the fund balance. **REP. KADAS** said, because when they took the loan out of general fund it reduced cash. But because it is a loan, it is set up as accounts receivable the end of the biennium, so it doesn't effect the fund balance. Essentially, it is like an accrued revenue. **CHAIRMAN ZOOK** said when that was taken out of the general fund, did it not show a deduction from the fund balance? **REP. KADAS** said it doesn't effect the fund balance because we are going to pay it back and it becomes a receivable. We say we are going to pay it back in this biennium, even though we know we may not be able to do that. We can only do a loan for one biennium, can't legally do a loan for more than one biennium.

**REP. ROYAL JOHNSON** asked if the total loan was for \$4.199 million? **REP. KADAS** said last biennium's loan was \$4.929 million. We have to add to that, \$2.6 million so the total loan will be \$7.5 million. **REP. ROYAL JOHNSON** asked why do we not also pay back the general fund at the long term rate for the time we borrowed the \$4.92 million which would then add in another \$400,000 to the general fund balance? You could take that as

income to the general fund, Since all of this is going to be paid out at the end, why would we not do that just as we will when the loan is paid off? **REP. KADAS** said it would not be fair to pay back the general fund at the long term interest rate because the loan was made at the lower interest rate. He doesn't think you can say the settlement from the suit would owe at the long term interest rate for the general fund. **REP. JOHNSON** said it is going to owe at the long term interest rate for the money borrowed from the coal tax. **REP. KADAS** said that is correct. The way it is set-up, there will be two separate interest payments calculated. The first will be for the two years that the \$5 million loan was out of the general fund. That will be calculated at the lower interest rate and will be paid back to the general fund when the case is settled. The second will be the \$7.5 million from the coal tax trust fund at the long term interest rate for however long and that would be paid back to the trust fund. **REP. JOHNSON** asked if there is some reason we couldn't do it this way since we really are refinancing the loan from one place to another and ask them to pick up the interest rate at the same time? **REP. KADAS** said, to be clear on the question, what you want to do is take coal trust principal and pay back the interest on the original general fund loan right now? **REP. JOHNSON** said that is correct. **REP. KADAS** said he supposes they could do it that way. It would put more general fund money in the general fund right now. In the short term, it would reduce our earnings from the trust fund. **REP. JOHNSON** asked how would it do that? **REP. KADAS** said because the money wouldn't be there anymore. We would have taken \$300,000 or \$400,000 out of the trust fund and put it in the general fund so it wouldn't be in the trust fund to earn interest at the higher rate. **REP. JOHNSON** said which is about \$28,000 a year. **REP. KADAS** said if you want to do it that way, would probably have to do some fairly substantial changes in the amendment.

**REP. BARDANOUVE** said if ARCO loses the case, their auditors would check very carefully what charges we made and if they find how we ran up bills and saw we are playing games with them in order to get a few more bucks, they might question it very seriously.

**CHAIRMAN ZOOK** asked **REP. BARDANOUVE** to explain what "games" are being played in order to "get a few more bucks". **REP. BARDANOUVE** said if, as suggested by **REP. ROYAL JOHNSON**, we take the general fund and charge the short term against the long term fund, he thinks it will not fly.

**REP. ROYAL JOHNSON** said to **REP. BARDANOUVE**, if those sharp auditors at ARCO thought about that, they would be very happy to pay at the short term STIP rate for two years rather than pay at the long term rate that the coal tax would earn. It would save them about \$400,000.

**CHAIRMAN ZOOK** said he is not concerned about our cash balance or fund balance. When we go out of here with HB 2, we are going to be in good condition. However, this is a puzzle how it works out

and will meet with Ms. Cohea to clear it up.

REP. BARDANOUVE said he shares CHAIRMAN ZOOK's concern and can see no real advantage to what we are doing. The only advantage is possibly cash flow and are using the coal trust for too many things.

REP. WANZENRIED asked what happens if we do not get a 3/4 vote to make this appropriation from the trust? REP. KADAS said then he will strip these amendments out and do it with general fund.

REP. ROYAL JOHNSON asked what kinds of complications are there to changing the amendments to add in the interest earnings that the general fund should have had over two years on the \$5 million? Ms. Cohea said she could work with the Council to come up with some language. They would have to specify the interest rate. REP. JOHNSON said if they are going to pay interest on money, why would they not also pay interest on the money we loan? That seems a fair situation, knowing we are going to re-capture that money.

REP. PECK said he thinks it is a bad move for REP. KADAS and the future of his bill because a 3/4 vote is going to be difficult to get. It would be wiser, given what REP. JOHNSON suggested, if we sent the bill out as it is and put those amendments out on the floor and let the full 100 members vote. REP. KADAS can be prepared then, if he loses his 3/4 vote, to offer the other amendment and reconsideration. This committee cannot determine the 3/4 level here. He thinks REP. KADAS is better off to withdraw the amendment and pass the bill out in its present form.

REP. QUILICI said all of the committee has been following the Natural Resource damage litigation for many years and because of tough times, have funded it with general fund money. After talking with the Attorney General and the litigants from the Department of Health, we are in a position to work out a stipulation with ARCO. The state of Montana could derive as much as \$100 million. People in this assembly would have an aversion to vote to use coal trust money. That could have a severe impact on the passage of this legislation and feels they should not take that chance with this important legislation.

REP. KADAS said he does not have a problem withdrawing the amendments and proposed to REP. JOHNSON that if he withdraws the amendments he would be glad to sit down with him and work out the amendments the way he described as opposed to these.

CHAIRMAN ZOOK said the majority of the legislature would strongly support pursuing this situation with ARCO as it is important to the state. He feels they can get a 3/4 vote.

REP. GRADY asked Ms. Cohea to explain how the original concept effects the fund balance target. Ms. Cohea said in that the actual spending of the money would be in state special revenue

fund, it would not effect the targets. What it would effect is the cash balance and would decrease it by \$2 million. The fund balance would be unchanged because it would be recorded as an asset in the general fund.

**Motion/Vote:** REP. KADAS withdrew the amendments and moved HB 401 DO PASS. (General Fund Loan). Motion carried 10 - 8 with Reps. Grady, Bergsagel, Cobb, DeBruycker, Kasten, Peterson, Wiseman and Zook voting no.

#### **EXECUTIVE ACTION ON HB 474**

**Discussion:** REP. PETERSON said the subcommittee had this bill rather early when the supplementals came through. A portion of the county attorney's salary comes in as a supplemental because those counties that change from part-time to full-time would do that sometime during the two-year period after the legislature had met. They would then have to back-fill that money. This bill simply asks those counties and those county attorneys, if they want to go full-time, to pay that and then that request would come in with the Justice Department's budget so it isn't coming in as a supplemental.

**Motion/Vote:** REP. PETERSON moved HB 474 DO PASS. Motion carried unanimously.

#### **EXECUTIVE ACTION ON HB 482**

**Discussion:** REP. JOHN BOHLINGER, HD 94 said in his district there are a lot of single women with children, children who have been abandoned by their fathers and children who are forced to live on whatever financial support their mothers can put together, either through loans or financial aid from their families or from whatever financial support they can receive from the state of Montana. When a family finds itself in a situation like this, it calls upon the SRS for assistance. Last year the state of Montana provided nearly \$55 million financial aid to these children. Of the 41,000 cases the Child Support Enforcement Division is dealing with, nearly half are on welfare and the intent of this bill is to make the responsible party support their children. The principle features of this bill are: 1) To establish paternity at the time of birth: 2) To have a reporting requirement for employers who would notify the Child Support Enforcement Division of any new hiring: 3) if we find that an obligor is in non-compliance of a state court-ordered payment, we would notify this person if they did not make arrangements to bring themselves current and then their license with the state of Montana could be in jeopardy. It provides the obligor an appearance before a judge who would give that person an opportunity to explain why they are not current in their obligation. If there has been a change of employment and a person is not able to meet the original court obligation, a new scheduled payment can be arrived at.

The intent of this bill is to put the obligation where it belongs and that is on the parent and not on the state of Montana. He feels this bill should have a significant, positive fiscal impact on the state of Montana and it would reduce, substantially, the nearly \$55 million paid out annually in AFDC payments.

**CHAIRMAN ZOOK** said this Committee hadn't heard this bill because it was referred but they did have it on the floor.

**Ms. Cohea** said the executive budget contains sufficient resources for the program to absorb these duties so there is no additional cost for the agency. Additional cost to the Child Support Division will be negligible. Increased collections to the Division may result in a cost savings in the AFDC and GA program. However, the magnitude of the savings is not measurable. Collections of child support are expected to increase by nearly \$400,000 in FY 1994 and \$1.8 million in FY 1995.

**Motion/Vote:** **REP. ROYAL JOHNSON** moved HB 482 DO PASS. Motion carried unanimously.

**CHAIRMAN ZOOK** said he would have the **Speaker** explain to him why, when bills are referred to this committee and they don't amend them, why they have to go back on second reading since they have already been on second reading and passed.

**Motion/Vote:** **REP. ROYAL JOHNSON** moved HB 482 put on the Consent Calendar. Motion carried unanimously.

#### EXECUTIVE ACTION ON HB 579

**Motion:** **REP. BARDANOUVE** moved HB 579 DO PASS.

**Discussion:** **REP. PETERSON** said she has just submitted a bill from the General Government subcommittee concerning the Montana Community Volunteer Service Act and it is a wider encompassing bill than this one but when they get the bills together, they will dovetail. The bill she is introducing will be chaired and coordinated out of the Governor's office and this might just fit in that process too. **CHAIRMAN ZOOK** asked if there is a fiscal impact on the general fund in her bill? **REP. PETERSON** said the source of funding would be UI Admin. **REP. BARDANOUVE** asked **REP. PETERSON** how soon will we have that bill? **REP. PETERSON** was in the clerk's office and she did not know what the process timing is. **REP. BARDANOUVE** asked if this bill could be held and coordinated with **REP. PETERSON's** bill. **CHAIRMAN ZOOK** said we don't know if her bill is in trouble somewhere, however, he does not see a big problem.

**REP. PECK** said if he was **REP. RUSSELL** he would be concerned about that because there is some public money in **REP. PETERSON's** bill. **REP. RUSSELL's** does not have any.

**REP. WANZENRIED** said the Human Services subcommittee did not

appropriate funding for a bill that hasn't been introduced yet. It is an indication that the UI Admin. tax money is going to a contested point.

Ms. Cohea said in the Governor's office, the General Government subcommittee appropriated \$500,000 in HB 2 for the Montana Conservation Corps out of the UI Admin. tax. It is in HB 2 at this point.

**Vote:** Motion carried 13 - 5 with Reps. DeBruycker, Royal Johnson, Kasten, Nelson and Zook voting no.

#### EXECUTIVE ACTION ON HB 585

**Discussion:** REP. BARDANOUVE asked Ms. Cohea to explain the source of this revenue. Ms. Cohea said fees charged are deposited in a state special revenue account and the LFA sheet is showing it actually has a positive impact. More fees than expenditures would be deposited in the state special revenue account, therefore, it will not impact the targets.

REP. DeBRUYCKER asked where the fees come from? REP. MENAHAN said real estate transactions.

**Motion:** REP. KADAS moved HB 585 DO PASS.

**Discussion:** REP. KADAS said this is a significant issue around the state. The more people look into the Radon issue the more places they find problems and we ought not to be ignoring it. REP. PETERSON asked how much does the Radon test kit cost? REP. COCCHIARELLA said Radon test kits cost about \$10 or \$15. They cost more, about \$30, when bought from a private source. CHAIRMAN ZOOK asked if they are pretty elaborate? REP. COCCHIARELLA said in the hearing on the bill in the Business committee, the Department of Health provided those committee members with test kits. Anyone can do Radon testing and the idea behind this bill is to make people aware they can do that.

REP. KASTEN said once again the Department of Health needs additional FTE and we have tried to cut down some of the programs so she cannot go along with a new program with more FTE. We have cut out federal money because of the amount of FTE. The Department of Health has asked to rent a new building because they cannot house all their people.

**Motion:** REP. PETERSON made a substitute motion to Table HB 585. Motion carried 12 - 6 with Reps. Bardanouve, John Johnson, Kadas, Menahan, Quilici and Wanzenried voting no.

#### EXECUTIVE ACTION ON HB 46 and HB 16

**Discussion:** REP. GRADY said both bills came out of the Institutions subcommittee recommending Do Pass but his recommendation is they only pass HB 46.

REP. JOHN JOHNSON said the intent is to take the 2 cents cigarette tax that has been levied since 1989, to provide the state share of funding for the construction of a veteran's nursing home. The money has been in place in the Long Range building program and has been used to service debt. What he would like to do is re-capture that 2 cents and use it for the operation and maintenance of the Veterans' Homes, which include Columbia Falls and the proposed one at Glendive. That is what the bill does.

REP. PETERSON asked if the money to match the federal funds for the Glendive Nursing Home is already collected? REP. JOHN JOHNSON said yes, the state's share of the construction of the Veteran's Nursing Home was \$1,996,000. That money is still there and obligated for that construction. REP. PETERSON asked if this money REP. JOHNSON is referencing does not touch that savings account? This is ongoing money appropriated for maintenance. REP. JOHNSON said yes. This is money that has been collected since that \$1,996,000 was set aside. The total is approximately \$1.3 million each year of the biennium.

REP. BERGSAGEL said he is wearing two hats, the first one as chairman of the Long Range Planning committee. As REP. JOHNSON has indicated, the moneys that would be taken out of HB 46 are moneys taken out of repair and maintenance for state buildings, statewide. They had roughly \$5,718,000 in order to repair all the buildings in the state. A lot of that is money used for the University system, Boulder, Columbia Falls Veterans' facility, all buildings statewide. That is how much money they had to deal with. This bill will take \$2.5 million out of Long Range Planning, forcing the Long Range Planning committee to go back in and take \$2.5 million out of the \$5 million. One of the projects they have is a fire upgrade system at Eastmont. If that fire upgrade system is not met, it is in violation of the law and can technically be shut down. Other projects are federal government requirements for handicapped access. There will be handicapped access at the Fish and Game building that will cost in excess of \$60,000. There are fire suppression systems. There are roof repairs. If you choose to support this bill, know they are not funding maintenance projects now and this will make it even worse.

Ms. Cohea referred to a list where the money has been appropriated in REP. BERGSAGEL's subcommittee at this point. Behind that is a letter that answers REP. PETERSON's request that shows the 2 cents that came in 90-91 and was committed for the Eastern Montana Veterans' Home and shows the ongoing source of revenue.

REP. KASTEN asked, did not the subcommittee on Institutions also spend this money? Ms. Cohea said yes. The subcommittee spent \$2 million of this money to finance the Columbia Falls Veterans' Home operations. If this bill does not pass, then \$2 million general fund will need to be added in HB 2 for those operations.



**REP. JOHN JOHNSON** said we have been funding the operation and maintenance of the Columbia Falls Nursing Home. He is assuming that it would be done as it has been done in the past, so you are actually not taking \$2.5 million to fund that nursing home. The \$1.3 million that comes in each year of the biennium could actually be used to take care of the entire proposed Glendive Nursing Home because the Columbia Falls Nursing Home is already being funded. The total appropriation for the 1995 biennium is \$1,400,000 so that is an appropriation you are now taking from the cigarette tax. In essence, you are substituting funding and are willing to provide that for the Columbia Falls Nursing Home and the Glendive Home through this 2 cent tax but there has to be some other funding on top of that which will be a lot less than what has been funded from the general fund before.

**REP. BARDANOUE** said the chairman of the Long Range Planning subcommittee, in less than half a session, realizes how critical the entire situation is. In fact, he sponsored a bill we could not support but still realized the critical situation.

**REP. GRADY** said the reason he is supporting this bill is that the 2 cents tax was supposed to sunset. The veterans put that on to use for veterans. It was supposed to sunset when that amount was reached to build that home. Then the legislature, rather than sunset it, took the money to put into maintenance of buildings. This bill takes that money back to the veterans. He does not agree that a veterans' nursing home should be built at this time. That was not done in his subcommittee (Institutions) but was done in Long Range, however, the Institutions Department has to pick up the operation and will put a bigger strain on the budget. Now the 2 cents is being taken back, but in this bill, it will help fund the Columbia Falls operation. There will be about \$300,000 over each year that won't be needed to take care of Columbia Falls. **REP. BERGSAGEL** will address the amendment to HB 46, to use it for veterans but not to build a home.

**REP. BERGSAGEL** asked to clarify something before they go on. He would like the committee to determine if they are going to take the money out of Long Range Planning. That will have a bearing on HB 46.

**CHAIRMAN ZOOK** said if this bill passes, it will come out of Long Range Planning. Maybe that is incorrect when you have two committees appropriating the same dollars.

**REP. GRADY** said as it stands now, this bill was passed out of Institutions subcommittee and they took the money. **CHAIRMAN ZOOK** said you can't take it when Long Range already took it. **REP. GRADY** said this legislation makes statutory changes so they can take it. If this bill passes out of this committee and passes on the floor, we've taken the money.

**REP. BERGSAGEL** said, in light of that, he will just deal with the

bill and would like to place amendments on it. **EXHIBIT 1.** With the action of the Institutions subcommittee, the \$2.6 million generated from the cigarette tax money is appropriated to operate the Columbia Falls facility. It is his understanding it is going to take approximately \$1 million a year to operate that facility and that there would be a remaining balance of approximately \$600,000. With that \$600,000 he would like to start a program to purchase home health care and rest home long term care for veterans. With his proposal it will take approximately \$300,000 a year to purchase that type of care for over 150 vets. It will provide a home health care payment of \$50 per day and will provide rest home care for approximately \$80 a day. For \$2.5 million a year, the Glendive facility will care for 80 vets. He will provide twice the care for \$300,000 a year. That is the proposal and intent of his amendment.

**REP. KADAS** said if **REP. BERGSAGEL's** amendments pass and the bill passes, Long Range Planning will have to cut out \$2.5 million of the program. **REP. BERGSAGEL** said that is correct.

**REP. PETERSON** said the committee recently had a bill for people over 75 to receive in-home care and it had a comprehensive list of meals on wheels and some nursing care. Is that the kind of program **REP. BERGSAGEL** is planning for those veterans that can stay in their home, yet need some assistance? **REP. BERGSAGEL** said they would receive assistance very much like that. In addition, they would also receive assistance through the insurance program where there were portions of their homes that needed remodeling for wheelchairs, lowering of countertops, obtaining services of a special companion to assist them, **EXHIBIT 2.** They can go back into the nursing home at any time.

**REP. WISEMAN** asked how to prioritize who gets this? **REP. BERGSAGEL** said there would have to be administrative procedures set up for that. They believe this can be done without any additional FTE and within the agency. **Rick Day, Director, Department of Institutions** said this is what they anticipate doing and the proposal has just been developed. The administrative rule authority would establish eligibility. It would realistically have to be on a first come, first serve basis and is designed to be a pilot project.

**REP. KADAS** asked what is the current capacity at Columbia Falls? **Mr. Day** said the nursing home capacity is 90. **REP. KADAS** asked how many of those are filled? **Mr. Day** said it is presently occupied at capacity. **REP. KADAS** asked if the projected demand for the Glendive facility would be filled up? **Mr. Day** said that is a very difficult question to answer. They would have to look at the demand based on the statistics. The figures run about 26,000 veterans over age 65, consequently, it would appear that the average age to enter the Columbia Falls Nursing Home is 70. They feel there would be sufficient patients to fill up the proposed nursing home. **REP. KADAS** asked if he thinks there are sufficient patients for the alternative **REP. BERGSAGEL** proposes,

which would use up all the authority provided here? **Mr. Day** said it would appear, based on those same general statistics, there is no real measurement of how many veterans might actually go into a nursing home because that is not how the system works. Based on the over-65 statistics, it would appear that there is the demand to use up the insurance. **REP. KADAS** said if the Columbia Falls facility is full, and assumes there is a waiting list, what is happening now to the people who would go into the Glendive facility or go into **REP. BERGSAGEL's** amendment? **Mr. Day** said those veterans that may go into that facility are being cared for in other places, such as private nursing homes, either under medicaid or under Veterans' Benefits, which provides 6 months' care.

**CHAIRMAN ZOOK** asked **REP. BERGSAGEL** if he had some figures of how many empty beds are around the state? **REP. BERGSAGEL** said there were approximately 600 empty beds statewide. The emphasis, though, is home health care. **CHAIRMAN ZOOK** said an important feature in the amendments is there is not a spend-down requirement for the veterans that there would be if they went on medicaid. **REP. BERGSAGEL** said that is correct.

**REP. JOHN JOHNSON** mentioned the occupancy of Columbia Falls and it is not unusual to have a waiting list. 41% of those veterans, currently in Columbia Falls, are able to pay their full payment, that's required. That condition would probably exist. It's one that varies with the number of patients who are able to do that. In 1992 there were 42 who were able to pay for the full payment. In January, 1992, there were 39, so the figure goes up and down. There is that factor that needs to be considered with the occupancy.

In reference to insurance, **REP. JOHNSON** can't buy that type of insurance because he has a cancerous situation and has been cleared with surgery, but because of the operation cannot get that insurance. He did not know how many people would have that same problem and not be able to get insurance. The insurance factor is not a thing that makes this bill sell.

There is home care available. Medicare will cover home health care and he has nothing against home health care because that is a good feature. Medicaid is also available and is not sure how many veterans would want to select that.

**REP. PETERSON** asked **REP. BERGSAGEL** for comments on the insurance portion. **REP. BERGSAGEL** said the insurance is strictly for care. It is not a health insurance policy. It is a rest home care policy. It has nothing to do with any illness.

**REP. KASTEN** asked **Mr. Day** if we would finance both Veterans' Homes, how much would we need in addition to what is in the 2 cents tax. **Mr. Day** said if just the two homes were financed, the current home in Columbia Falls and the proposed home in Glendive, would need approximately \$700,000 per year over the cigarette tax

collection. **REP. KASTEN** said she has recently seen some figures that doubt his calculations of what would be needed in the Eastern Montana Veterans' Home. **Mr. Day** said he was aware there has been some questions about level of staffing or the level of general fund that would be needed for the Eastern Montana Veterans' Home. The way the system works is his Department has to project how much third party reimbursement there might be and have to spend that first and have had previous circumstances where those projections went too high and consequently had to lay off staff in the Columbia Falls Nursing Home. The staffing levels at the Eastern Montana Veterans' Home and associated costs, are designed to support, like the Alzheimer unit, a complete nursing home, not a domiciliary unit. Those are built around medicaid and health-care requirements. **REP. KASTEN** asked if the domiciliary unit is full in Columbia Falls? **Mr. Day** said it is about 50% occupied.

**REP. GRADY** referred to page 2, lines 16 - 18 of HB 46, "use for operation and maintenance of state veterans' nursing homes". The 2 cents tax will bring in \$2,600,000. Only \$2 million is needed to take care of Columbia Falls if another home isn't built in Glendive. The reason for **REP. BERGSAGEL's** amendment is \$600,000 would be left unspent. This bill takes the money back to the Veterans. If the decision is made to build a home in Glendive then this \$600,000 will go for operation of Glendive too. He asked **REP. JOHNSON** what his proposal is for that \$600,000 if the bill is passed without the amendment? **REP. JOHNSON** said he does not see that the \$600,000 will be left there with the amendment. The money won't be there if \$2.5 million a year is used to fund the Columbia Falls home. **REP. GRADY** said yes, with the amendment it won't be there but without the amendment and the bill is passed, they have not spent the \$600,000. **REP. JOHNSON** said it will certainly go a long way toward funding the operation and maintenance of the Glendive home. **REP. GRADY** said if it was built, but as of now the Institution subcommittee is acting on the premise the Glendive home will not be built.

**REP. KADAS** asked what happens to the \$600,000 if the bill is not amended and passes? Does it go back to Long Range Building? **Ms. Cohea** said the subcommittee has already adopted amendments on HB 46 that takes the entire 2 cents and puts it in a state special revenue account so the money is not appropriated from that account. The total balance remains in the account for future appropriation. **REP. KADAS** asked if the amendments adopted in subcommittee are on the bill now? What are we working on right now before we amend it. Essentially, we are working on an amended bill. The amendments don't show up on the first reading copy. **CHAIRMAN ZOOK** said the subcommittee had the hearings on the bill and made the recommendations. **REP. KADAS** asked if the full committee needs to adopt the subcommittee amendments to have in front of them or whether they are operating from the subcommittee amendments in the bill. **CHAIRMAN ZOOK** said they are operating with a bill presented to them by the subcommittee, same as any other committee.

REP. QUILICI asked if the committee could hear from REP. PAVLOVICH concerning his opinions of the amendments.

REP. PAVLOVICH said the veterans here are opposed to the amendments. They fought for the 2 cents cigarette tax and HB 202 in 1989 took that 2 cents off. The Senate left it on, took the sunset off and put the money in Long Range Building. There was no problem with that because the Veterans had the money to build their home. In 1991 there was a bill to take that money back and use it for the maintenance of the home when it was built and also the home in Columbia Falls. That bill failed because the money was still in Long Range Building. Now in 1993, we are doing the same thing. The veterans don't want to be in nursing homes, they want their own home. If the home is ever built, the veterans would have no problem coming in to support another 2 cents to maintain the home.

REP. JOHN JOHNSON said they don't have a Veteran's Service Officer here who would have all the latest veterans' benefits because they change yearly. From the information he has for eastern Montana as defined in the bill, in 1992 licensed beds in that area for nursing homes totaled 2,609. The need for community beds in that same area totaled 2,785. There is 174 bed shortage in that area of eastern Montana. He has the whole state where there are nursing homes and that same thing is very prevalent in these long term care licensed beds and percent occupancy gotten from the nursing people for the 1990s. There are not 400 empty beds for nursing homes. CHAIRMAN ZOOK checked into this issue too and found that the nursing home in Glendive was full and had a waiting list. Miles City has two homes and they recently applied to the state for a Certificate of Need to be granted more beds. At the present time they have about 15% empty beds.

REP. PAVLOVICH said the handwriting is on the wall for his bill, HB 16 because they know they will go with HB 46. It also states in HB 16, from July 1, 1993 the money will be kept to maintain the home, if they build a home. It also states if they shut Galen that a 40 bed unit would be built in southwest Montana with that same cigarette money.

REP. GRADY said action taken as of today, Galen will be shut down. The reason Galen was shut down was because it was not used. If a veterans' home is built we're right back where we started so what is the use of closing Galen down? REP. PAVLOVICH said if all the money had been set aside for the purpose it was for, it could build a home and have the money to maintain it. If a home is not built in Glendive, the state will lose the matching federal funds. We have \$3.4 million we could lose.

REP. JOHN JOHNSON said he does not believe the amendments following the bill have ever been placed on or approved. CHAIRMAN ZOOK said he understood they had been placed but hadn't been incorporated and Ms. Cohea said she would have to

incorporate both sets of amendments if they passed.

REP. GRADY said the bill has to be reported out of a committee and will have to be reported out of this committee before the amendments are actually placed in the bill. The amendments were put on both bills before they left the Institutions subcommittee.

REP. KADAS said that was what he was trying to get at earlier. To attach amendments it takes a motion from the full committee. You can't attach amendments to a subcommittee. The subcommittee can make recommendations but it is the full committee that attaches amendments.

Motion: REP. JOHN JOHNSON moved the amendments to HB 46 the Institutions subcommittee adopted.

REP. GRADY said Ms. Cohea has come up with some language different than the amendments the subcommittee adopted and the committee can move her set of amendments.

Ms. Cohea said REP. BERGSAGEL's amendments add to the amendments that were adopted in the subcommittee. So if the committee adopts the bill with both sets of amendments the staff will integrate the two sets of amendments and they are not in conflict.

REP. BARDANOUVE asked what amendments were adopted in the subcommittee? Ms. Cohea said what they do, essentially, is earmark the 2 cents that now flows into capital projects account, put it in a state special revenue account, and have language on page 2 of the amendments saying that "use of funds generated by taxation on cigarettes. Revenue generated by the section of law is appropriated to the department of corrections and human services must be used to support the operation and maintenance of the Montana veterans' homes programs." REP. BERGSAGEL's amendment would go on to add "and/or the development and implementation of a benefit program to aging veterans who need home health or nursing care". The subcommittee amendments then have "the legislature shall appropriate from this account funds required for the operation and maintenance of the Montana's Veterans' home" and REP. BERGSAGEL's amendments would add "and the clause for development and implementation. The operation and maintenance include personal services, operations, equipment, and construction or remodeling projects." REP. BARDANOUVE asked what is the impact on the general fund if the bill is not passed or the amendments are not adopted? Ms. Cohea said in and of itself, just looking at HB 46, there is no impact on the general fund because what they are talking about is either capital project account or putting it in an account for veterans' homes. However, the impact on the general fund is because REP. GRADY's subcommittee on Institutions used the \$2.05 million, in place of general fund in HB 2 as a source of funding. There is contingency language currently in HB 2 saying if this bill does not pass that \$2.05 million of general fund will be put into HB2.

Vote: Motion carried 17 - 1 with Rep. Bardanouve voting no.

Motion/Vote: REP. BERGSAGEL moved to adopt his amendments.  
Motion failed 9 - 9.

Motion/Vote: REP. GRADY moved HB 46 DO PASS AS AMENDED. Motion failed 9 - 9.

Motion/Vote: REP. GRADY moved to Table HB 16. Motion carried 16 - 2 with Reps. Menahan and Quillici voting no.

EXECUTIVE ACTION ON HB 284

Motion/Vote: REP. COBB moved to Table HB 284. Motion carried unanimously.

EXECUTIVE ACTION ON HB 608

Motion: REP. BERGSAGEL moved the amendments to HB 608.

Discussion: Ms. Cohea said the amendments eliminate creation of the rural economic revitalization program. REP. ROYAL JOHNSON said on page 7, line 20, the amendments changed \$1.6 million to \$2.4 million. On line 23-25, cut them out. On page 8, took the 12% to 16%. On line 20, took the 46 to 40. On line 24, took the 4 to 6. On page 10, line 17, took \$2 million to \$3 million, 21-24 were taken out. On page 11, line 7, made 38 to 36. On line 11, took 12 to 18. On line 19, took 46 to 40. On line 23, took 4% to 6%. Ms. Cohea said the next one is on page 51, Section 31 is stricken in its entirety. Sections 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45 and 47 are all stricken.

REP. WISEMAN opposes the amendment and proposes the bill die a natural death.

REP. QUILICI says he doesn't see money in the amendments. There is a shifting of money in the amendments.

Karen Fagg said the amendments that DNRC brought forward were basically to eliminate the rural economic program of \$800,000 and put that amount back into the Reclamation program so that amount would increase from \$1.6 million to \$2.4 million. The reclamation grant program would now be a \$2.4 million program. Renewable resources doesn't change except they combine it with water development but these amendments don't add any money to that.

Vote: Motion to adopt the amendments carried 17 - 1 with Rep. Wiseman voting no.

Motion/Vote: REP. BERGSAGEL moved HB 608 DO PASS AS AMENDED. Motion carried 13 - 5 with Reps. Bardanouve, DeBruycker, Kadas, Wanzenried and Wiseman voting no.

EXECUTIVE ACTION ON HB 314

Discussion: REP. GRADY said he has some amendments for the Bill, EXHIBIT 1. The Parks Department had some problems with some of the parks. His concern was the loss of revenue to the Parks Department. These amendments would drop the revenue down so the loss will only be about \$37,000 biennial. They have added some parks and deleted some parks in the amendment.


REP. JOHN JOHNSON asked if the Tongue River Park is in the bill? REP. KADAS said if the Tongue River Park was in the bill originally, it is still in under these amendments.


REP. PETERSON said she is not comfortable voting on a bill that she does not have in front of her. CHAIRMAN ZOOK said we will set the bill aside.

Motion: REP. GRADY moved the amendments to HB 314.

ADJOURNMENT

Adjournment: 5:45 P.M.

  
\_\_\_\_\_  
REP. TOM ZOOK, Chairman

  
\_\_\_\_\_  
MARY LOU SCHMITZ, Secretary

TZ/mls



# HOUSE OF REPRESENTATIVES

APPROPRIATIONS

COMMITTEE

ROLL CALL

DATE

3/5/93 P.m

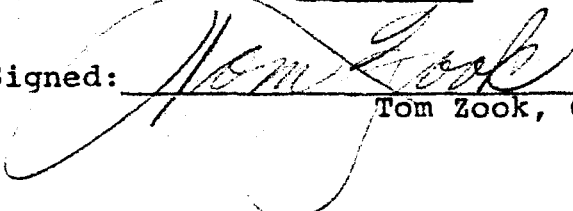
NAME	PRESENT	ABSENT	EXCUSED
REP. ED GRADY, V. CHAIR	✓		
REP. FRANCIS BARDANOUVE	✓		
REP. ERNEST BERGSAGEL	✓		
REP. JOHN COBB	✓		
REP. ROGER DEBRUYKER	✓		
REP. MARJ. FISHER	✓		
REP. JOHN JOHNSON	✓		
REP. ROYAL JOHNSON	✓		
REP. MIKE KADAS	✓		
REP. BETTY LOU KASTEN	✓		
REP. WM. "RED" MENEHAN	✓		
REP. LINDA NELSON	✓		
REP. RAY PECK	✓		
REP. MARY LOU PETERSON	✓		
REP. JOE QUILICI	✓		
REP. DAVE WANZENREID	✓		
REP. BILL WISEMAN	✓		
REP. TOM ZOOK, CHAIR	✓		

HOUSE STANDING COMMITTEE REPORT

March 8, 1993

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that  
House Bill 401 (first reading copy -- white) do pass .

Signed: 

Tom Zook, Chair

Committee Vote:  
Yes \_\_\_\_, No \_\_\_\_.

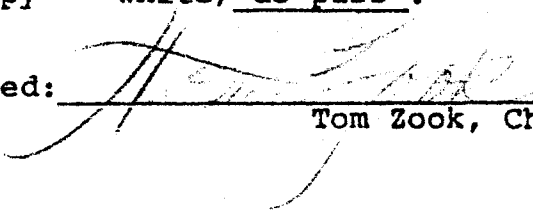
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HOUSE STANDING COMMITTEE REPORT

March 8, 1993

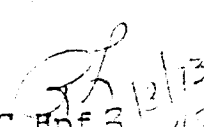
Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that  
House Bill 474 (first reading copy -- white) do pass.

Signed: 

Tom Zook, Chair

Committee Vote:  
Yes \_\_\_\_, No \_\_\_\_.

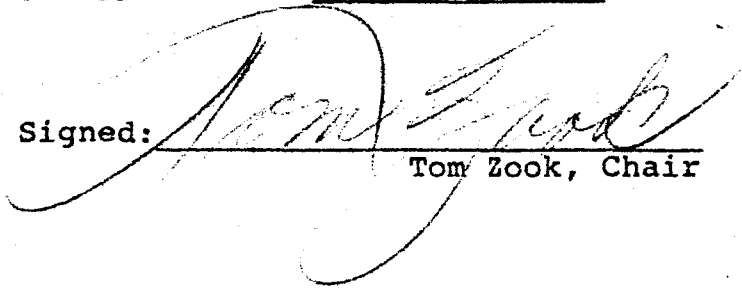
521402SC.Hpf 3 

HOUSE STANDING COMMITTEE REPORT

March 8, 1993


Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that House Bill 482 (third reading copy -- blue) do pass and be placed on consent calendar.

Signed: 

Tom Zook, Chair

Committee Vote:  
Yes \_\_, No \_\_.

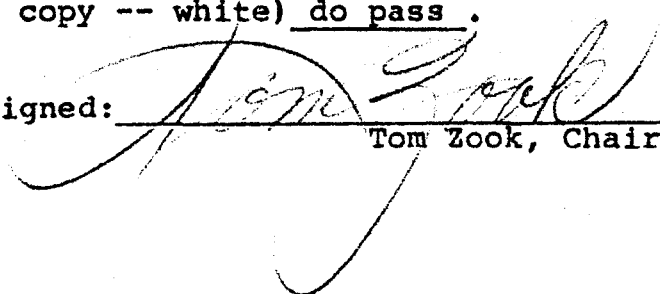
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HOUSE STANDING COMMITTEE REPORT

March 8, 1993

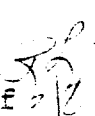
Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that House Bill 579 (first reading copy -- white) do pass.

Signed: 

Tom Zook, Chair

Committee Vote:  
Yes \_\_\_\_, No \_\_\_\_.

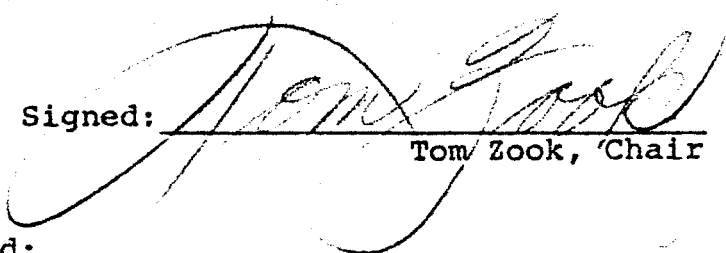
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HOUSE STANDING COMMITTEE REPORT

March 8, 1993

Page 1 of 3

Mr. Speaker: We, the committee on Appropriations report that House Bill 608 (first reading copy -- white) do pass as amended

Signed: 

Tom Zook, Chair

And, that such amendments read:

1. Page 1, line 13 through line 18.

Following: ";" on line 13

Strike: "REMOVING THE CRUCIAL STATE NEED FUNDING CATEGORY FROM  
THE RECLAMATION AND DEVELOPMENT GRANTS PROGRAM AND LIMITING  
FUNDING TO MINERAL RECLAMATION PROJECTS; CREATING THE RURAL  
ECONOMIC REVITALIZATION PROGRAM THAT WILL FUND PROJECTS THAT  
PROMOTE AND IMPROVE MONTANA'S ECONOMY;"

2. Page 1, line 23.

Following: "85-2-105,"

Strike: "90-2-1102,"

3. Page 1, line 24.

Following: "90-2-1104,"

Insert: "AND"

4. Page 1, line 24.

Following: "90-2-1105,"

Strike: "90-2-1112, AND 90-2-1121,"

5. Page 2, line 16 through line 24.

Following: line 15

Strike: line 16 through line 24 in their entirety

6. Page 7, line 20.

Following: "(iv)"

Strike: "\$1,600,000"

Insert: "\$2,400,000"

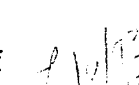
7. Page 7, line 22.

Following: "i;"

Insert: "and"

Committee Vote:

Yes \_\_\_, No \_\_\_.

521413SC.Hpf 

8. Page 7, following line 22.  
Strike: subsection (v) in its entirety  
Renumber: subsequent subsection

9. Page 8, line 12.  
Strike: "Twelve"  
Insert: "Sixteen"

10. Page 8, line 20.  
Strike: "Forty-six"  
Insert: "Forty"

11. Page 8, line 24.  
Strike: "Four"  
Insert: "Six"

12. Page 10, line 17.  
Strike: "\$2"  
Insert: "\$3"

13. Page 10, line 20.  
Following: ";"  
Insert: "and"

14. Page 10, line 21 through line 24.  
Strike: subsection (v) in its entirety  
Renumber: subsequent subsection

15. Page 11, line 7.  
Strike: "Thirty-eight"  
Insert: "Thirty-six"

16. Page 11, line 11.  
Strike: "Twelve"  
Insert: "Eighteen"

17. Page 11, line 19.  
Strike: "Forty-six"  
Insert: "Forty"

18. Page 11, line 23.  
Strike: "Four"  
Insert: "Six"

19. Page 51, line 17 through page 52, line 7.  
Strike: Section 31 in its entirety  
Renumber: subsequent sections

March 8, 1993  
Page 3 of 3

20. Page 55, line 9 through page 64, line 15.  
Strike: Sections 35 through 45 in their entirety  
Renumber: subsequent sections

21. Page 64, lines 21 through 25  
Strike: Section 47 in its entirety  
Renumber: subsequent section

22. Page 65, line 2.  
Strike: "48"  
Insert: "35"

-END-



# HOUSE OF REPRESENTATIVES

APPROPRIATIONS COMMITTEE

## ROLL CALL VOTE

DATE 3/5/93 pm BILL NO. HB 401 NUMBER           

MOTION: Rep. Kadas moved the amendments.

NAME	AYE	NO
REP. ED GRADY, V, CHAIR		
REP. FRANCIS BARDANOUVE		
REP. ERNEST BERGSAGEI		
REP. JOHN COBB		
REP. ROGER DEBRUYKER		
REP. MARJ. FISHER		
REP. JOHN JOHNSON		
REP. ROYAL JOHNSON		
REP. MIKE KADAS		
REP. BETTY LOU KASTEN		
REP. WM. RED MENAHAN		
REP. LINDA NELSON		
REP. RAY PECK		
REP. MARY LOU PETERSON		
REP. JOE QUILICI		
REP. DAVE WANZENREID		
REP. BILL WISEMAN		
REP. TOM ZOOK, CHAIR		

## HOUSE OF REPRESENTATIVES

APPROPRIATIONSCOMMITTEE

## ROLL CALL VOTE

DATE 3/5/93 pm BILL NO. HB 401 NUMBER           MOTION: Rep. Kadas withdrew the amendments and moved HB 401DO PASS (General Fund Loan) Motion carried 10 - 8

NAME	AYE	NO
REP. ED GRADY, V, CHAIR		X
REP. FRANCIS BARDANOUVE	X	
REP. ERNEST BERGSAGEI		X
REP. JOHN COBB		X
REP. ROGER DEBRUYKER		X
REP. MARJ. FISHER	X	
REP. JOHN JOHNSON	X	
REP. ROYAL JOHNSON	X	
REP. MIKE KADAS	X	
REP. BETTY LOU KASTEN		X
REP. WM. RED MENAHAN	X	
REP. LINDA NELSON	X	
REP. RAY PECK	X	
REP. MARY LOU PETERSON		X
REP. JOE QUILICI	X	
REP. DAVE WANZENREID	X	
REP. BILL WISEMAN		X
REP. TOM ZOOK, CHAIR		X
	10	8

# HOUSE OF REPRESENTATIVES

APPROPRIATIONS

COMMITTEE

## ROLL CALL VOTE

DATE 3/5/93 pm BILL NO. HB 474 NUMBER           

MOTION: Rep. Peterson moved HB 474 DO PASS

Motion carried unanimously.

NAME	AYE	NO
REP. ED GRADY, V, CHAIR	X	
REP. FRANCIS BARDANOUVE	X	
REP. ERNEST BERGSAGEI	X	
REP. JOHN COBB	X	
REP. ROGER DEBRUYKER	X	
REP. MARJ. FISHER	X	
REP. JOHN JOHNSON	X	
REP. ROYAL JOHNSON	X	
REP. MIKE KADAS	X	
REP. BETTY LOU KASTEN	X	
REP. WM. RED MENAHAN	X	
REP. LINDA NELSON	X	
REP. RAY PECK	X	
REP. MARY LOU PETERSON	X	
REP. JOE QUILLICI	X	
REP. DAVE WANZENREID	X	
REP. BILL WISEMAN	X	
REP. TOM ZOOK, CHAIR	X	
	18	0

# HOUSE OF REPRESENTATIVES

APPROPRIATIONS

COMMITTEE

## ROLL CALL VOTE

DATE 3/5/93 pm BILL NO. HB 482 NUMBER       

MOTION: Rep. Royal Johnson moved HB 482 DO PASS.

Motion carried unanimously.

NAME	AYE	NO
REP. ED GRADY, V, CHAIR	X	
REP. FRANCIS BARDANOUVE	X	
REP. ERNEST BERGSAGEI	X	
REP. JOHN COBB	X	
REP. ROGER DEBRUYKER	X	
REP. MARJ. FISHER	X	
REP. JOHN JOHNSON	X	
REP. ROYAL JOHNSON	X	
REP. MIKE KADAS	X	
REP. BETTY LOU KASTEN	X	
REP. WM. RED MENAHAN	X	
REP. LINDA NELSON	X	
REP. RAY PECK	X	
REP. MARY LOU PETERSON	X	
REP. JOE QUILICI	X	
REP. DAVE WANZENREID	X	
REP. BILL WISEMAN	X	
REP. TOM ZOOK, CHAIR	X	
	18	0

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

COMMITTEE

ROLL CALL VOTE

DATE 3/5/93 pm BILL NO. HB 482 NUMBER           

MOTION: Rep. Royal Johnson moved HB 482 put on the Consent  
Calendar. Motion carried unanimously.

NAME	AYE	NO
REP. ED GRADY, V, CHAIR	X	
REP. FRANCIS BARDANOUVE	X	
REP. ERNEST BERGSAGE	X	
REP. JOHN COBB	X	
REP. ROGER DEBRUYKER	X	
REP. MARJ. FISHER	X	
REP. JOHN JOHNSON	X	
REP. ROYAL JOHNSON	X	
REP. MIKE KADAS	X	
REP. BETTY LOU KASTEN	X	
REP. WM. RED MENAHAN	X	
REP. LINDA NELSON	X	
REP. RAY PECK	X	
REP. MARY LOU PETERSON	X	
REP. JOE QUILLICI	X	
REP. DAVE WANZENREID	X	
REP. BILL WISEMAN	X	
REP. TOM ZOOK, CHAIR	X	
	18	0

# HOUSE OF REPRESENTATIVES

APPROPRIATIONS

COMMITTEE

## ROLL CALL VOTE

DATE 3/5/93 p.m. BILL NO. HB 579 NUMBER           

MOTION: Rep. Bardanouve moved HB 579 DO PASS.

Motion carried 13 - 5

NAME	AYE	NO
REP. ED GRADY, V, CHAIR	X	
REP. FRANCIS BARDANOUVE	X	
REP. ERNEST BERGSAGEI	X	
REP. JOHN COBB	X	
REP. ROGER DEBRUYKER		X
REP. MARJ. FISHER	X	
REP. JOHN JOHNSON	X	
REP. ROYAL JOHNSON		X
REP. MIKE KADAS	X	
REP. BETTY LOU KASTEN		X
REP. WM. RED MENAHAN	X	
REP. LINDA NELSON		X
REP. RAY PECK	X	
REP. MARY LOU PETERSON	X	
REP. JOE QUILICI	X	
REP. DAVE WANZENREID	X	
REP. BILL WISEMAN	X	
REP. TOM ZOOK, CHAIR		X
	13	5

## HOUSE OF REPRESENTATIVES

APPROPRIATIONS

COMMITTEE

## ROLL CALL VOTE

DATE 3/5/93 pm BILL NO. HB 46 NUMBER         MOTION: Rep. John Johnson moved the amendments to HB 46  
the subcommittee adopted.

Motion carried 17 - 1

NAME	AYE	NO
REP. ED GRADY, V, CHAIR	X	
REP. FRANCIS BARDANOUVE		X
REP. ERNEST BERGSAGEI	X	
REP. JOHN COBB	X	
REP. ROGER DEBRUYKER	X	
REP. MARJ. FISHER	X	
REP. JOHN JOHNSON	X	
REP. ROYAL JOHNSON	X	
REP. MIKE KADAS	X	
REP. BETTY LOU KASTEN	X	
REP. WM. RED MENAHAN	X	
REP. LINDA NELSON	X	
REP. RAY PECK	X	
REP. MARY LOU PETERSON	X	
REP. JOE QUILLICI	X	
REP. DAVE WANZENREID	X	
REP. BILL WISEMAN	X	
REP. TOM ZOOK, CHAIR	X	
	17	1

# HOUSE OF REPRESENTATIVES

APPROPRIATIONS

COMMITTEE

## ROLL CALL VOTE

DATE 3/5/93 pm BILL NO. HB 585 NUMBER           

MOTION: Rep. Kadas moved HB 585 DO PASS

NAME	AYE	NO
REP. ED GRADY, V, CHAIR		
REP. FRANCIS BARDANOUVE		
REP. ERNEST BERGSAGEI		
REP. JOHN COBB		
REP. ROGER DEBRUYKER		
REP. MARJ. FISHER		
REP. JOHN JOHNSON		
REP. ROYAL JOHNSON		
REP. MIKE KADAS		
REP. BETTY LOU KASTEN		
REP. WM. RED MENAHAN		
REP. LINDA NELSON		
REP. RAY PECK		
REP. MARY LOU PETERSON		
REP. JOE QUILLICI		
REP. DAVE WANZENREID		
REP. BILL WISEMAN		
REP. TOM ZOOK, CHAIR		



# HOUSE OF REPRESENTATIVES

## APPROPRIATIONS

## COMMITTEE

### ROLL CALL VOTE

DATE 3/5/93 pm BILL NO. HB 585 NUMBER           

MOTION: Rep. Peterson made a substitute motion to Table

HB 585. Motion carried 12 - 6

NAME	AYE	NO
REP. ED GRADY, V, CHAIR	X	
REP. FRANCIS BARDANOUVE		X
REP. ERNEST BERGSAGEI	X	
REP. JOHN COBB	X	
REP. ROGER DEBRUYKER	X	
REP. MARJ. FISHER	X	
REP. JOHN JOHNSON		X
REP. ROYAL JOHNSON	X	
REP. MIKE KADAS		X
REP. BETTY LOU KASTEN	X	
REP. WM. RED MENAHAN		X
REP. LINDA NELSON	X	
REP. RAY PECK	X	
REP. MARY LOU PETERSON	X	
REP. JOE QUILLICI		X
REP. DAVE WANZENREID		X
REP. BILL WISEMAN	X	
REP. TOM ZOOK, CHAIR	X	
	12	6

AMENDMENTS TO HB 46  
VETERANS BENEFITS PROGRAM

EXHIBIT 1  
DATE 3/5/93  
HB 1346

The enclosed amendments to HB 46 would not only allow 2 cent cigarette tax to be used for the operation and maintenance of the veterans nursing homes program, but would allow the Department of Corrections and Human Services (DCHS) to develop and pilot a benefits program for aging veterans who need in-home health or nursing care.

It is projected that HB 46 would divert about \$1.3 million dollars a year to a special revenue account in the DCHS. It is projected that the Montana Veterans home in Columbia Falls will need approximately \$1.0 million per year in FY 94 & 95 for operations. This would leave a balance of \$300,000 per year (\$600,000 for the biennium) for the veterans benefit program.

Initial and preliminary research into a veterans benefit program, which would purchase insurance to off set in-home health and nursing care costs for veterans, estimates that for the \$300,000, approximately 170 to 190 eligible veterans could be covered. This coverage would include up to two years of in-home health at \$50.00 per day or unlimited nursing care for \$80.00 per day.

The proposed amendments would allow the DCHS to utilize these funds to pilot this veterans benefit program for two years, evaluate the program and report back to the legislature for future recommendations.

I am also recommending that the Appropriations Bill - HB 2 include the following language:

" It is recommended that during FY 1994-1995 the Department of Corrections and Human Services in conjunction with the Department of Military Affairs conduct research into the health care needs for aging Montana veterans. The study should include a review of the aging veteran populations; analysis of current services, programs or benefits available; identification of health care needs not being met; and recommendations for services or alternative services. Recommendations should be cognizant of the current federal and state fiscal situations and seek the most effective and cost efficient methods of care available.

EXHIBIT 1  
DATE 3/5/93  
HB 46

PROPOSED AMENDMENTS TO HB 46

1. Page 1, Title, line 6.  
following "HOMES"  
delete: " ; "  
insert: ", THE DEVELOPMENT AND IMPLEMENTATION OF A BENEFITS PROGRAM FOR AGING VETERANS AND THE ESTABLISHMENT OF A SPECIAL REVENUE ACCOUNT IN THE DEPARTMENT OF CORRECTIONS AND HUMAN SERVICES;  
following: "16-11-119"  
insert: , 10-2-405"
2. Page 2, line 4.  
following: "nursing homes"  
delete: ". "  
add: "and the development and implementation of a benefits program for aging veterans who need in-home health or nursing care."
3. Page 3, line 1.  
insert: " NEW SECTION. Section 10-2-405. Section 1. Utilization of funds generated by taxation on cigarettes. Revenues generated by 16-11-119 to the department of corrections and human services shall be used to support the operation and maintenance of the Montana veterans homes program and or the development and implementation of a benefits program for aging veterans who need in-home health or nursing care. The legislature shall appropriate from this account, funds required for the operation and maintenance of the Montana veterans homes and the development and implementation of the benefits program. For this part operation and maintenance may include personal services, operations, equipment, and construction or remodeling projects. The department of corrections and human services may adopt rules for the administration of the veterans benefits program."

Exh. 2  
B 46  
EXHIBIT 2  
DATE 3/5/93  
HB 46

#### ADVANTAGES OF THE BERGSAGEL ALTERNATIVE

Serves many more vets than the Glendive proposal

Allows vets to remain in their own homes longer, enhancing their quality of life and extending their life span.

No further government growth

Will help rural communities by allowing those hospitals located in communities whose nursing home beds are filled to have a steady income stream from a private pay patient. Since the average stay for nursing home patients is almost 4 years, the hospital would have a stable revenue stream to help alleviate low populations. Rural hospitals would benefit.

The obligation by the state would not be tied as in an entitlement. If the revenue stream from the cigarette tax decreases, benefits or the number served could be adjusted. The concept is predicated on the number of vets to be served by one year's proceeds from the cigarette tax. In the first year, the number served is based on what \$300,000 annually will buy. This will be true of the next year of the biennium as well.

Since only monies ALREADY collected will be spent it will not be possible to slip into deficit spending through underestimated budgets.

Since this is a state program only, no federal waivers are necessary.

There is no "chasing after" federal matching funds, which after all, are tax dollars.

There will be significant and lasting impact to the general fund. Since 62% of nursing home patients are Medicaid recipients, and many of these vets would be going into nursing homes anyway, since they are privately covered under the Bergsagel alternative plan, they would not be using the Medicaid funds. Those savings are permanent and substantial.

EXHIBIT 2  
DATE 3/5/93  
HB 46

## TESTIMONY

### VETERANS' HOME

#### EXAMPLES OF STANDARD BENEFITS

##### ALTERNATE PLAN OF CARE

Your long-term care benefit under this insurance plan may be available for any alternate method of health care services. This may enable you to end your nursing home confinement and continue your recovery at home or any other special facility, such as an assisted living facility. Benefits will be paid for an alternate method of care as long as there is mutual agreement between you, your physician, and PFL Life.

In addition to other forms of medical care, this feature may include full benefits for non-medical expenses, such as:

- Remodeling your home to provide wheelchair access, the lowering of countertops, etc.
- Obtaining the services of a special companion who will assist with homemaker or personal care needs, or any other non-health related service that could aid in your recovery and eliminate the need for a continued nursing home confinement.

EXHIBIT 2  
DATE 3/5/93  
HB 46

### ONE TIME 100 DAY ELIMINATION PERIOD

The 100 day elimination period is cumulative and need be satisfied only once during the lifetime of the insurance plan.

### SUMMARY OF COVERAGE

#### Nursing Home Coverage:

Provides LIFETIME coverage, \$80 per day, after a one-time 100 day elimination period.

#### Home Health Care Coverage:

Provides coverage for TWO YEARS, \$50 per day, after a 30 day elimination period.

### SAMPLE PREMIUMS

	Annual Premium
Age 65 Veteran	\$822.48
Age 70 Veteran	\$1,327.56
Age 75 Veteran	\$2,128.88

---

Ernest Bergsagel  
Representative, HD 17

EB:vn

# HOUSE OF REPRESENTATIVES

APPROPRIATIONS

COMMITTEE

## ROLL CALL VOTE

DATE 3/5/93 pm BILL NO. HB 46 NUMBER           

MOTION: Rep. Bergsager moved to adopt amendments, Exhibit 1

Motion failed 9 - 9

NAME	AYE	NO
REP. ED GRADY, V, CHAIR	X	
REP. FRANCIS BARDANOUVE		X
REP. ERNEST BERGSAGER	X	
REP. JOHN COBB	X	
REP. ROGER DEBRUYKER	X	
REP. MARJ. FISHER	X	
REP. JOHN JOHNSON		X
REP. ROYAL JOHNSON	X	
REP. MIKE KADAS		X
REP. BETTY LOU KASTEN		X
REP. WM. RED MENAHAN		X
REP. LINDA NELSON		X
REP. RAY PECK		X
REP. MARY LOU PETERSON	X	
REP. JOE QUILICI		X
REP. DAVE WANTZENREID		X
REP. BILL WISEMAN	X	
REP. TOM ZOOK, CHAIR	X	
	9	9

# HOUSE OF REPRESENTATIVES

APPROPRIATIONS

COMMITTEE

## ROLL CALL VOTE

DATE 3/5/93 pm BILL NO. HB 46 NUMBER           

MOTION: Rep. Grady moved HB 46 DO PASS AS AMENDED.

Motion failed 9 - 9

NAME	AYE	NO
REP. ED GRADY, V, CHAIR	X	
REP. FRANCIS BARDANOUVE		X
REP. ERNEST BERGSAGEL		X
REP. JOHN COBB		X
REP. ROGER DEBRUYKER	X	
REP. MARJ. FISHER		X
REP. JOHN JOHNSON	X	
REP. ROYAL JOHNSON		X
REP. MIKE KADAS		X
REP. BETTY LOU KASTEN		X
REP. WM. RED MENAHAN	X	
REP. LINDA NELSON	X	
REP. RAY PECK	X	
REP. MARY LOU PETERSON		X
REP. JOE QUILLICI	X	
REP. DAVE WANZENREID	X	
REP. BILL WISEMAN	X	
REP. TOM ZOOK, CHAIR		X
	9	9



## HOUSE OF REPRESENTATIVES

APPROPRIATIONS

COMMITTEE

## ROLL CALL VOTE

DATE 3/5/93 pm BILL NO. HB 16 NUMBER           MOTION: Rep. Grady moved to Table HB 16.

Motion carried 16 - 2

NAME	AYE	NO
REP. ED GRADY, V. CHAIR	X	
REP. FRANCIS BARDANOUVE	X	
REP. ERNEST BERGSAGEI	X	
REP. JOHN COBB	X	
REP. ROGER DEBRUYKER	X	
REP. MARJ. FISHER	X	
REP. JOHN JOHNSON	X	
REP. ROYAL JOHNSON	X	
REP. MIKE KADAS	X	
REP. BETTY LOU KASTEN	X	
REP. WM. RED MENAHAN		X
REP. LINDA NELSON	X	
REP. RAY PECK	X	
REP. MARY LOU PETERSON	X	
REP. JOE QUILLICI		X
REP. DAVE WANZENBREID	X	
REP. BILL WISEMAN	X	
REP. TOM ZOOK, CHAIR	X	
	16	2

## HOUSE OF REPRESENTATIVES

APPROPRIATIONSCOMMITTEE

## ROLL CALL VOTE

DATE 3/5/93 pm BILL NO. HB 284 NUMBER           MOTION: Rep. Cobb moved to Table HB 284

Motion carried unanimously.

NAME	AYE	NO
REP. ED GRADY, V, CHAIR	X	
REP. FRANCIS BARDANOUVE	X	
REP. ERNEST BERGSAGEI	X	
REP. JOHN COBB	X	
REP. ROGER DEBRUYKER	X	
REP. MARJ. FISHER	X	
REP. JOHN JOHNSON	X	
REP. ROYAL JOHNSON	X	
REP. MIKE KADAS	X	
REP. BETTY LOU KASTEN	X	
REP. WM. RED MENAHAN	X	
REP. LINDA NELSON	X	
REP. RAY PECK	X	
REP. MARY LOU PETERSON	X	
REP. JOE QUILICI	X	
REP. DAVE WANZENREID	X	
REP. BILL WISEMAN	X	
REP. TOM ZOOK, CHAIR	X	
	18	0

# HOUSE OF REPRESENTATIVES

APPROPRIATIONS

COMMITTEE

## ROLL CALL VOTE

DATE 3/5/93 pm BILL NO. HB 608 NUMBER           

MOTION: Rep. Bergsagel moved to adopt the amendments to HB 608.

Motion carried 17 - 1

NAME	AYE	NO
REP. ED GRADY, V, CHAIR	X	
REP. FRANCIS BARDANOUVE	X	
REP. ERNEST BERGSAGEL	X	
REP. JOHN COBB	X	
REP. ROGER DEBRUYKER	X	
REP. MARJ. FISHER	X	
REP. JOHN JOHNSON	X	
REP. ROYAL JOHNSON	X	
REP. MIKE KADAS	X	
REP. BETTY LOU KASTEN	X	
REP. WM. RED MENAHAN	X	
REP. LINDA NELSON	X	
REP. RAY PECK	X	
REP. MARY LOU PETERSON	X	
REP. JOE QUILLICI	X	
REP. DAVE WANZENREID	X	
REP. BILL WISEMAN		X
REP. TOM ZOOK, CHAIR	X	
	17	1

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

COMMITTEE

ROLL CALL VOTE

DATE 3/5/93 pm BILL NO. HB 608 NUMBER         

MOTION: Rep. Bergsagel moved HB 608 DO PASS AS AMENDED

Motion carried 13 - 5

NAME	AYE	NO
REP. ED GRADY, V, CHAIR	X	
REP. FRANCIS BARDANOUVE		X
REP. ERNEST BERGSAGEL	X	
REP. JOHN COBB	X	
REP. ROGER DEBRUYKER		X
REP. MARJ. FISHER	X	
REP. JOHN JOHNSON	X	
REP. ROYAL JOHNSON	X	
REP. MIKE KADAS		X
REP. BETTY LOU KASTEN	X	
REP. WM. RED MENAHAN	X	
REP. LINDA NELSON	X	
REP. RAY PECK	X	
REP. MARY LOU PETERSON	X	
REP. JOE QUILLICI	X	
REP. DAVE WANZENREID		X
REP. BILL WISEMAN		X
REP. TOM ZOOK, CHAIR	X	
	13	5

Amendments to House Bill No. 314  
Second Reading Copy

Requested by Rep. Raney  
For the Committee on Appropriations

Prepared by Lee Heiman  
March 3, 1993

EXHIBIT 1  
DATE 3/5/93  
HB 314

1. Page 2, line 22.

Strike: subsection (1) in its entirety

Renumber: subsequent subsections

2. Page 3, line 8.

Strike: subsection (11) in its entirety

Renumber: subsequent subsections

3. Page 3, line 10.

Strike: "AND"

4. Page 3, line 11.

Following: "park"

Insert: " ; "

5. Page 3.

Following: line 11

Insert: "(13) Council Grove state park;

(14) Beaverhead Rock state park;

(15) Natural Bridge state park; and

(16) Madison Buffalo Jump state park"

6. Page 3, line 21.

Following: "necessary"

Insert: "access to"

7. Page 4, line 22.

Following: "[section 2]"

Insert: ", except that the department may charge camping fees at  
Thompson Falls state park and Headwaters state park"

# HOUSE OF REPRESENTATIVES

ADDITIONAL AMENDMENTS

COMMITTEE

## ROLL CALL VOTE

DATE 3/5/93 pm BILL NO. HB 314 NUMBER         

MOTION: Rep. Grady moved the amendments to HB 314.

No Vote

NAME	AYE	NO
REP. ED GRADY, V, CHAIR		
REP. FRANCIS BARDANOUVE		
REP. ERNEST BERGSAGEI		
REP. JOHN COBB		
REP. ROGER DEBRUYKER		
REP. MARJ. FISHER		
REP. JOHN JOHNSON		
REP. ROYAL JOHNSON		
REP. MIKE KADAS		
REP. BETTY LOU KASTEN		
REP. WM. RED MENAHAN		
REP. LINDA NELSON		
REP. RAY PECK		
REP. MARY LOU PETERSON		
REP. JOE QUILICI		
REP. DAVE WANZENREID		
REP. BILL WISEMAN		
REP. TOM ZOOK, CHAIR		

HOUSE OF REPRESENTATIVES  
VISITOR REGISTER

Appropriations COMMITTEE BILL NO. \_\_\_\_\_  
DATE 3/5/93 pm SPONSOR(S) \_\_\_\_\_

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Jim Thomas</i>	<i>NRIS /MSL</i>		
<i>Myllulab</i>	<i>CSED HB482</i>	<i>✓</i>	
<i>Lenus Carleton</i>	<i>CSED HB482</i>	<i>✓</i>	
<i>John McBae</i>	<i>CSED HB482</i>	<i>✓</i>	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.